DOCUMENT RESUME

ED 147 212 SO 010 399

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TITLE The Effects of Race and Ethnicity upon Income and Occupational Status Attainment.
PUB DATE Mar 77
NOTE 36p.; Paper presented at Annual Meeting of the Southwestern Sociological Asscciation (Dallas, Texas, March 31-April 2, 1977); Not available in hard copy from EDRS due to poor reproducibility cf original document

EDRS PRICE MF-$0.83 Plus Postage. HC Not Available from EDRS.
DESCRIPTORS Academic Achievement; *Black Emplcyment; Blacks; Educational Economics; Employment; Ethnic Groups; *Ethnic Status; *Income; Italian Americans; Literature Reviews; Minority Groups; *Occupational Mobility; *Race; Racial Discrimination; Social Class; Social Science Research; *Socioeccnomic Status; Sociology

ABSTRACT

Data are analyzed on native whites, second generation Italian-Americans, and second generation urban blacks to ascertain the effects of race and ethnicity upon income and occupational status attainment. Data about these groups were drawn frcm a 1 in 100 random sampling of the 1960 and 1970 census data for Chicago. Nine hypotheses relating to the process of income and cccupational status attainment, obtained from the literature on income and occupational attainment processes, are tested. For each year, 1960 and 1970, data are analyzed for two groups: one composed of second generation Italian-Americans and second generatien urban blacks, and the other composed of native whites and second generation Italian-Americans. In the first group the effect of race is assessed as it relates to the process of income and occupational status attainment; in the second group the effect of ethnicity is assessed. The findings indicate that race is seen to have a significant effect in determining inccme and occupational status attainment and that among whites, ethnicity does not significantly affect income and occupaticnal status attainment. (Author/DRS)

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THE EFFECTS OF RACE AND ETHNICITY UPON INCOME AND OCCUPATIONAL STATUS ATTAINMENT

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AT AUSTIN

MARCH, 1977

SP 010 399

Paper presented at the Annual Meetings of the Southwestern Sociological Association, Dallas, Texas.

THE EFFECTS OF RACE AND ETHNICITY UPON INCOME AND OCCUPATIONAL STATUS ATTAINMENT

THE PROBLEM

This study addresses itself to the problem of ascertaining the the effects of race and ethnicity of offspring of migrants to the city upon income and occupational attainment. It seeks to compare the ethnic group experience with the racial minority group experience in terms of occupational and income attainment. Specifically, the study addresses itself to the following thesis advanced by Banfield (1968: 68-69):

> The existence of ethnic and racial prejudice both past and present is a fact too painfully evident to require assertion. Being subject to prejudice, however, it is clear in retrospect, was not the main disadvantage of the Irish, Jews, Italians, and others. Nor is it the main one of the Negro -- not to mention the Puerto Rican and the Mexican today. The other minority groups once lived in the oldest parts of the inner city -- and the Negro lives in them now -- not so much because they were looked down on (although, of course, they were) as because they had low incomes. It was because they were poor that they had come to the city...
>
> Today the Negro's main disadvantage is the same as the Puerto Rican's and the Mexican's: namely, he is the most recent unskilled, and hence relatively low-income, migrant to reach the city from a backward rural area... Like earlier immigrants, the Negro has reason to expect that his children will have increases of opportunity even greater than his.

The study attempts to answer the following questions: (1) Are the mechanisms for attaining income and occupational status the same for ethnic and racial groups as for the native white population? (2) Are the determinants of success (or failure) in the attainment of income and occupational status the same for white ethnic groups as they are for members of racial minorities?

A path model of income and occupational status attainment, derived from the literature, will be used to assess the effects of ethnicity and race upon income and occupational status attainment for offspring of urban immigrants.

RELATED RESEARCH

Research on the relationship between ethnicity/race and income/occupational status attainment can be broken down into a number of related topics:

a. Income/Occupation and Education. Research on income and occupational status attainment has primarily focused on the role of education in explaining socioeconomic achievement. A vast literature exists on the economic benefits of education, showing much higher annual incomes and lifetime earnings for those with advanced educational attainment. Among the most notable analyses have been those by Becker (1964), Blau and Duncan (1967), Bowman (1971), Innes et al. (1965), Miller (1960), Schulz (1963), Sewell (1971), and Weisbrod and Karpoff (1968).

Herman Miller's (1960a) analyses of national data are perhaps the most exhaustive. Miller (1960a: 956-957), of the U.S. Bureau of Census, reported:

> In 1958, men who started high school but did not graduate received on the average an annual income of about $400 more per year of schooling than men who completed their schooling with graduation from elementary school. High school graduates, however, received about $500 more of annual income per year of schooling than men who started high school but never graduated. Similarly, men who attended college but did not graduate had, on the average, $700 more per year of schooling, than high school graduates. The comparable differential for college graduates was about $900 per year of schooling.

b. Income/Occupation and Education of white Ethnics. Duncan and Duncan (1968) and Featherman (1971) have observed that the most important variable in terms of explaining the differential socioeconomic achievements of religio-ethnic subgroups is education. There seems to be no evidence of occupational or income discrimination on pure religious or ethnic grounds for the groups studied. Duncan and Duncan found that parental education and income were important sources of variation in determining the education and occupation of children. When controlling for socioeconomic status and educational attainment the occupational achievement differs little among national origin groups.

c. Income/Occupation and Education of Blacks. Miller (1962: 130) was one of the first to observe that nonwhites did not received incomes commensurate with their educational attainment.

> During all the years (up until 1956) for which figures on income, education and color are available, the correlation between income and education is much higher for whites than for nonwhites. Among nonwhite men aged 25-44 years...elementary school graduates had the same average income as high school graduates, despite the four year difference in schooling.

In the 1960 Census, simultaneous tabulations re made available for income by education and occupation. These data are specitic to race and region for a 5 percent sample of the male civilian experienced labor force, aged 25-64 in 1960 U.S. Bureau of Census, 1963). With the exception of nonwhite farmers in the North, at every educational level in every occupational grouping, nonwhites have average earnings substantially less than those of whites.

The Bureau of Labor Statistics, in 1966, in an assessment of the benefits of educational attainment for black youths concluded:

> ...the advantages of education to nonwhite youths are barely beginning to make themselves felt in the job market.... Clearly, nonwhite youths are preparing for today's jobs faster than existing practices are changing to absorb them.... As matters stand now, many Negro youngsters have more education than they need for the jobs they can get (U.S. Department of Labor, Bureau of Labor Statistics, 1966: 23-25).

d. Black vs. White Education. It is widely believed that the quality of education received by blacks is inferior to that of whites, and that the inferior quality is responsible for the lower productivity of blacks (and, hence for the lower occupational and income status attainment).

Most analysts have not attempted to measure educational quality (Harrison, 1972). Becker (1957) for example, in his early economic treatment of racial discrimination, explicitly assumes that whites and nonwhites with the same quantity of education (and similar ages and the same sex) are perfect substitutes in economic production.

"Coleman scores" have been employed by those researchers who have sought to adjust their estimates of the relationship between interracial differences in education and income for differences in quality of education (Harrison, 1972). In the federally sponsored survey Equality of Educational Opportunity (Coleman et al., 1966) using achievement test scores from over 60,000 American students it was reported that black students had lower achievement scores than white students at every grade level and that gaps in achievement scores tended to increase at higher grade levels. Racial differences were translated into roughly equivalent differences in years of education.

Some argue that differences in occupation and income levels for blacks and whites with equal years of education can be explained almost fully by differences in the quality of education. Probably the most notable of these is Banfield. Banfield (1968: 70-71) asserts:

> At all educational levels the Census Negro earns less than the white. On the average, however, he has achieved less well in school (in the schools of the Northeast he is 3.3 years behind the white in achievement by grade 12; moreover many Negroes attend schools having a "social promotion" policy by which children are promoted whether they have learned anything or not). It is likely that if the differences in the educational achievement of graduates were fully taken into account, racial prejudice would be found to have much less significance for earnings than otherwise appears; indeed, it may be that the Statistical Negro graduate (controlling for quality of education) earns fully as much as the white.[1]

There is, however, some recent evidence which indicates that differences in quality of education do not produce the expected effect on earnings. Weiss (1970) found, in a 1-in-100 sample from the 1960 Census, that Coleman scores were not statistically related to earnings. Substituting Coleman score equivalents of educational attainment for actual years of educational attainment had no effect at all in explaining racial differences in income.

Bergman and Lyle (1971) applied Coleman scores to EEOC and Census data to explain white/nonwhite occupational status variations in 46 cities over 67 industries. The scholars concluded that variables bearing on the quantity and quality of education in explaining the occupational status gap between whites and nonwhites explain only a very small proportion of the variation.

Weiss and Williamson (1972) argue that since the differential in white/black quality is largely a regional difference, with the quality of education in the South interior to that of the North, we should

expect that the "quality of training which black migrants from the South bring with them to northern cities may have a significant impact on the economic position of northern blacks." Using the 1967 Survey of Economic Opportunity, they found, on the contrary, that "geographic source of education does not have the expected effect on earnings." There was actually a negative relation between quality of education (as reflected by region in which education was completed) and income.

The findings of Long and Heltman (1975) agree with the findings of Weiss and Williamson and suggest that quality of education does not explain differences in income attainment among blacks. Long and Heltman, using the 1970 Census, found that blacks moving from the South to the North had higher incomes than blacks born in the North (given the same educational attainment). Thus the poorer quality of education in the South was not reflected in diminished earnings for migrants to the North with northern-born blacks.

e. Age and Income/Occupation. In general it has been shown that income tends to increase with age. Wolsteter and Coleman (1972) suggest that some differences in earnings of blacks and whites may be accounted for by differences in earnings in the age structures of the two populations. Differences in earnings for blacks and whites "would persist even if the level and patterns of individual lifetime earnings were the same in the two populations, so long as the age structures continued to differ."

Thurow (1968) studied the joint effects of education and experience for both nonwhite and white men in 1959. Experience, Thurow reasoned, could be roughly approximated by age -- the grater the age, the greater the job experience. He found the payoff to

experience much less for blacks than for whites. Thurow, in calculating the return to training or experience, assumed that all income differences between different age groups were due to a return from experience after controlling for education and occupation if discrimination were not a factor in the determination of income.

Blau and Duncan (1967) indicate that occupational status varies with age. The occupation one enters upon completion of his education is not likely to be the occupation he is associated with the rest of his life. These researchers see the individual changing occupation with increasing age such that occupational status for the individual should increase with age.

f. Age and Education. While age seems to be positively associated with income and occupational status (controlling for education), age is negatively associated with educational attainment (that is, older workers generally have completed less years of schooling than younger workers in the labor force). Blau and Duncan (1967) found that "educational attainment varies by age to a greater extent than by race." Later cohorts tend to be better educated for both whites and nonwhites.

While age and educational attainment are inversely correlated, age and educational attainment may be related to income in a manner which is not simply additive. Stolzenberg (1975) using the 1-in-1000 Public Use Sample of the 1960 Census for the entire U.S. found a significant interaction effect of work experience and education upon income attainment. Stolzenberg estimated work experience as age minus education minus five (the age of entrance into school). Since experience is a linear combination of age and education, the

experience-education interaction may be expressed equivalently as an age-education interaction.

HYPOTHESES

The above research on the relationships between ethnicity/race and income and occupational status attainment suggest a number of testable hypotheses to which this paper will be addressed.

1. Income varies directly with educational attainment (the greater the educational attainment, the greater the income).

2. Income varies directly with occupational status (the greater the occupational status, the greater the income).

3. Income varies directly with age (the older the worker, the greater the income).

4. Educational attainment varies inversely with age (the older the worker, the less years of schooling he will have completed).

5. Occupational status varies directly with educational attainment (the greater the educational attainment, the greater the occupational status).

6. Given the same educational attainment, occupational status varies directly with age.

7. For a given age cohort, the level of educational attainment for whites is greater than for blacks.

8. Given the same educational attainment levels and age cohort, occupational status attainment is greater for whites than for blacks.

9. Given the same occupational status, educational attainment levels, and age, income for whites is greater than income for blacks.

RESEARCH DESIGN

The Banfield argument suggests that occupational and income attainment would be comparable for Negroes and another white immigrant group if the two had come to the city at the same time and were from similarly "backward rural areas" and had similar economic backgrounds (i.e., low education, unskilled). Banfield (1968: 45-66) indicates

that the two groups should have similar "time-orientations" or "deferred gratification patterns."[2] Banfield attributes an individual's economic and occupational status achievement to his psychological orientation toward providing for a more or less distant future. The more an individual is (1) able to imagine a future, and (2) able to discipline himself to make sacrifices, the greater his economic status will be (later).

According to this view, blacks migrating to the city will be at the low ends of the economic and occupational scales because they have come from an area whose culture was extremely present oriented: the American South. Blacks who have recently migrated to the cities from the rural South can be compared, according to Banfield, to the unassimilated immigrants who were in every city "from countries -- Catholic ones -- whose cultures tended to be present- rather than future-oriented" (Banfield, 1968: 55). (The relatively unsuccessful present-oriented Catholic immigrants, Banfield argues, may be contrasted with the highly successful future-oriented Jewish immigrants).

EXPERIMENTAL DESIGN

In this study an experimental design consistent with the criteria suggested by the Banfield argument will be employed. An experimental design which may be employed for a comparison between a white immigrant group is the "posttest-only control group design" presented by Campbell and Stanley (1963: 25-26)

R	X	O_1
R		O_2

where two groups are selected at random (R) and an experimental

variable (X) is introduced to one of the groups and behaviors are observed (O) for each group. X in this case is not an experimental variable in its usual sense, but is used to designate the racial/ethnic differences in the groups being compared. Random selection must be made to draw a representative sample of each group. Of course, it would be impossible to assign racial or ethnic characteristics to individuals in a random fashion, so this design cannot be properly termed an experimental design. This design should more appropriately be classified, in Campbell and Stanley's (1963) terminology, as a "quasi-experimental design."

For this study the above general design will be used in two more specific overlapping designs.[4] This is pictured in Figure 1.

FIGURE 1

Design I			Design II		
R	X_1	O_1	R	X_2	O_2
R	X_2	O_2	R	X_3	O_3

where: X_1 refers to Native White group
X_2 refers to White immigrant group
X_3 refers to Negro group

In design I a Negro group sample is compared with a white immigrant group sample. The purpose of the design is to investigate differences in occupational and income achievement which are presumed to be totally racial. Therefore, it is necessary that the two groups be comparable in all aspects relevant to income and occupational attainment except race, or other variables such as educational

attainment and age be taken into account to isolate the effects of race. There should also be some adjustment or control for time-orientation, which Banfield (1968) sees as an important variable in explaining differences in income and occupational achievement.

However, although an individual's orientation toward providing for a more or less distant future is associated with income and occupational achievement, it operates primarily through the variable of educational attainment. One's attitude toward providing for the future determines, to a large degree, how much formal education he will acquire, which in turn determines the range of occupations open to him and the income associated with the occupation. Controlling for educational attainment may substantially reduce the magnitude of the correlations between time-orientation and income and between time-orientation and occupational level.

Since there is some reason to believe that time-orientation may have a significant direct effect on either income or occupational status achievement (or both), it should be taken into account or controlled if the effects of race are to be isolated in the comparison between white and black immigrants (Design II). Banfield's notion of time-orientation, unfortunately, seems to lack any objective criteria for labeling an immigrant group as having either a present- or future-orientation. Perhaps, then, time-orientation (a difficult concept to measure under any circumstances and impossible to measure with the data to be used in this study) may be replaced by more concrete variables. Present-oriented immigrants are people who are, in the main, unskilled and from poor rural environments. Thus controlling for time-orientation may be approximated indirectly by

controlling for class and type of area of origin for immigrants.

In Design I, the same white immigrant group is compared with the native white sample. It would be meaningless to insist that these tow groups have similar class backgrounds and come from similar physical environments. While the white immigrant group is to be selected on the basis of its comparability (in terms of class and type of area of origin) with the Negro sample, the comparison between the white immigrant group and the native white group is between groups that necessarily differ in class and area of origin as well as ethnicity. In Design II the comparison is essentially between two immigrant groups from similar backgrounds but different in race (one is black, the other white). Design I, the comparison between native whites and white immigrants, is intended to determine if the structure of opportunity for immigrants and native whites is the same (controlling for color).

Since as has been previously noted, blacks are supposed to have come from the backward, present-oriented culture of the rural South, we must compare blacks with immigrants from a presumed similarly present-oriented background in order to control for "time-orientation" (class and type of area of origin).[5]

DATA

The white ethnics selected for comparison with a black group in this study are Italians. The data consist of 1-in-100 random samples of the 1960 and 1970 Censuses for the city of Chicago.[6]

It is not enough to assert that Italians and blacks came from similarly present-oriented cultures. The two groups, as noted earlier, should be seen as similar when using more objective criteria of comparison.

It would, of course, be preferable to have individual detailed migration histories of the samples as well as their occupational and educational levels at the time of arrival in Chicago, but no available information of this nature for individuals along with other pertinent variables exists. However, much is known about both the Italian and black immigrants to Chicago, so that a meaningful comparison can be made.

Comparatively few Italians, mostly from Northern Italy came to the United States before 1880. They were followed by a mass migration of Southern Italians until the 1920's. Most of the first Italian immigrants from the North were farmers

> from rich Piedmont and Luguria... Most of the Italian immigrants conventionally attributed to the North, however, came either from the poorest agricultural regions of the Northeast (the Venetias) or from largely agricultural regions in central Italy like Latium or "The Marches" (Lopreato, 1970).

The great majority of the immigrants from Italy have come from the poor agricultural regions of the South (Iorizzo and Mondello, 1971; Lopreato, 1970; Nelli, 1970). Lopreato notes that of the 1.9 million Southern Italians entering the U.S. between 1899 and 1910, "77 percent were agricultural workers, completely lacking the experience of work and life in an urban industrial setting. Less that .5 percent were in the professions, and another 15 percent were in the skilled occupations."

It is not clear how long Italians had been elsewhere in America before they moved to Chicago. Most of the Italian immigrants arrived in New York and large numbers arrived at other seaports of the Northeastern U.S. Lopreato (1970) indicates that once located in the United States Italian immigrants tended to remain in that area. Nelli (1970) notes that many of the immigrants in Chicago had remained only briefly in New York. Immigration played a very large part in Chicago's population increases, with "foreign stock" (immigrants and children of immigrants) making up the bulk of the population from 1880 to 1940. Whatever their place of origin, European immigrants poured into Chicago lured by economic opportunities.

While it seems rather clear that the Italian immigrant from Southern Italy in many ways resembled the black from the rural South, the date of arrival in the city and the income and occupational levels of the members of each group upon arrival seem to be of some importance. This information would not be needed if the two groups had exactly the same immigration histories. Since the city is a civilizing influence, according to Banfield (1968), the length of residence must be taken into account by adding another variable -- or it must be somehow controlled. The data sources we are dealing with, the 1960 and 1970 1-in-100 Public Use Samples of the Census, do not ask the respondents for the date they entered Chicago. While the date of immigration for the Italian sample may be used as the date of arrival into an urban environment (almost all the Italian immigrants settled in urban environments -- Lopreato, 1970), these data do not exist.

A much better comparison between the Italians and blacks may be made if we limit our population only to second generation Italian-Americans and blacks born in Chicago. It may be argued that although it is possible to identity second generation Italian-Americans from the Census data, it is not possible to assure that blacks born in Chicago are actually in the first generation of blacks that are native to Chicago. This is true and may present a slight bias in the data for educational and occupational attainment favorable to blacks. Since, however, the theory predicts that whites will have advantages over blacks in terms of income, occupation, and educational attainment, the slight bias favorable to blacks should only serve to strengthen the tests of hypotheses 8 and 9.

OPERATIONALIZATION OF VARIABLES

The analysis of the data to test the hypotheses and an analysis of the path models which integrate these hypotheses into a system, requires that these variables first be operationalized. For purposes of this study the variables will be operationalized as follows:

Educational Attainment. Educational Attainment is to be considered the last grade the respondent had completed in the regular school system -- public, private or parochial school, college, or university. Values may range from 0 years to 18 years, with a value of 18 years signifying 18 or more years of schooling (6 or more years of college).

Occupational Status. Occupational titles will be assigned occupational level scores as computed by Duncan (1961). Duncan's list of occupational titles is drawn from the 1950 Census; however, the

1960 and 1970 Censuses contain a few additional titles not found in the 1950 list. Status levels for these few titles are estimated from status levels of titles that are sufficiently similar. In a few cases such estimation is extremely hazardous and in these cases the status is coded as being unreported.

Income. Income is to be defined as wage or salary in the previous year. Adjustment will be made for the number of weeks worked in the previous year and hours of work per week. These figures, hence, will be standardized to annual incomes for full employment. The income data from the 1970 Public Use Sample will be further adjusted to be comparable with the data from the 1960 Public Use Sample by adjusting for inflation. The 1970 income data (wage or salary in 1969) will be made comparable to 1960 income data (wage or salary in 1959) by expressing both years' income figures in 1959 dollars.

Age. The age classification is in years, with an interval value corresponding to the age of the respondent at his last birthday.

Race. Three major race classifications are distinguished. White, Negro and "other races." Mexicans or persons of Mexican ancestry are classified as white. This study utilizes only the white and Negro racial categories.

Race/Ethnicity. In Design I, Race/Ethnicity is a dichotomous variable distinguishing native whites from second generation Italian-Americans. Native whites are are assigned a value of 0 and second generation Italian-Americans are assigned a value of 1. In Design II, Race/Ethnicity is a dichotomous variable distinguishing

second generation Italian-Americans from blacks who have been in Chicago two or more generations. A value of 0 is assigned to the second generation Italian-Americans; a value of 1 is assigned to the second or later generation urban blacks of Chicago. The native white population consists of whites who are at least third generation American, Further, the population samples are all characterized as members of the male civilian labor force (males aged 25-65, in the labor force, not self employed or in the armed forces).

PATH ANALYSIS

The hypotheses as indicated earlier can be integrated into a path model. Calculating the paths for this model for Design I (using the native white/Italian-American subsample) and Design II (using the Italian-American/black subsample) the respective path coefficients may be compared indicating the extent to which the structures of opportunity differ in each of the two situations in each of the two Census years, 1960 and 1970.

The path model is a pictorial representation of a system of equations which relate the variables to one another. The paths correspond to unstandardized regression coefficients in multiple regression equations. In determining the paths for this study unstandardized regression coefficients are used since the two populations to be compared in each Census year differ in composition and, of course, population compositions for the same subsample differ from 1960 and 1970 as well.

It should be noted that the construction of a path model requires that the assumptions of causality, interval data, linearity, additivity and uncorrelated error terms be made. Even in cases where all these assumptions cannot be made, the path analytic technique has proven enough flexibility to still be useful.. In this study the assumptions of causality, interval data and uncorrelated error terms can safely be met, but the adequacy of the assumptions of linearity and additivity should be examined.

Stolzenberg (1975), as indicated earlier found a statistically significant interaction effect between age and education in the determination of income. The effect of the addition of this interaction term into the regression equations was tested and it was found to have a very minor effect, altering the regression coefficients of interest to this study by at most 1 percent. Further, the addition of this interaction effect changed none of the conclusions that could be drawn from the regression equations not containing the interaction effect. For these reasons it was decided that the advantages in clarity and interpretability of the system of regression equations without interaction effects which allow the construction of a simple path model outweighed the slightly increased precision of the system of regression equations including the interaction term for which a simple path model cannot be constructed.

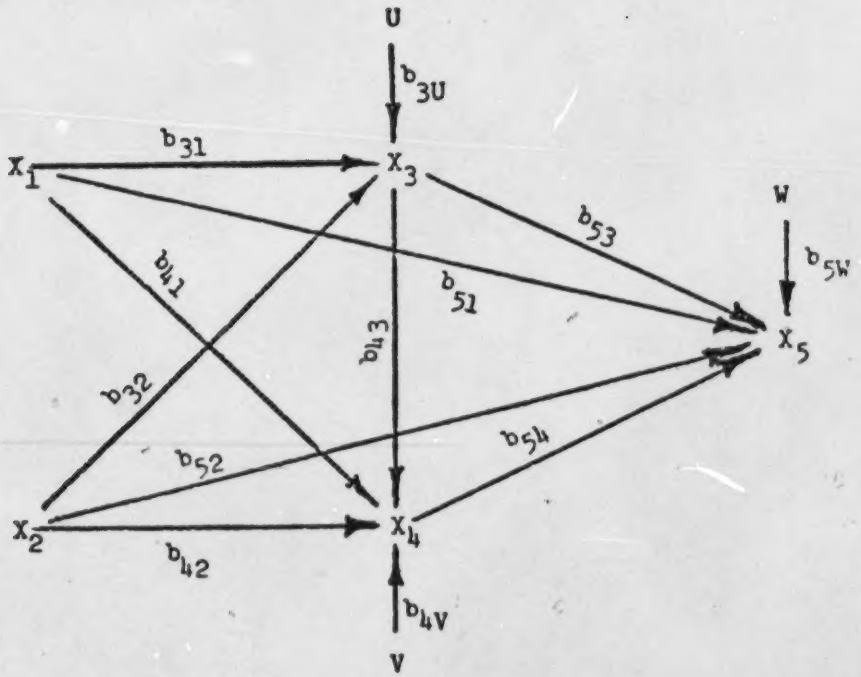
The system of equations that corresponds to the path diagram in Figure 2 is the following:

$$X_3 = a_3 + b_{31}X_1 + b_{32}X_2 + b_{3U}U$$

$$X_4 = a_4 + b_{41}X_1 + b_{42}X_2 + b_{43}X_3 + b_{4V}V$$

$$X_5 = a_5 + b_{51}X_1 + b_{52}X_2 + b_{53}X_3 + b_{54}X_4 + b_{5W}W$$

FIGURE 2



X_1 = Race/Ethnicity

X_2 = Age

X_3 = Educational Attainment

X_4 = Occupational Status

X_5 = Income (in 1959 dollars)

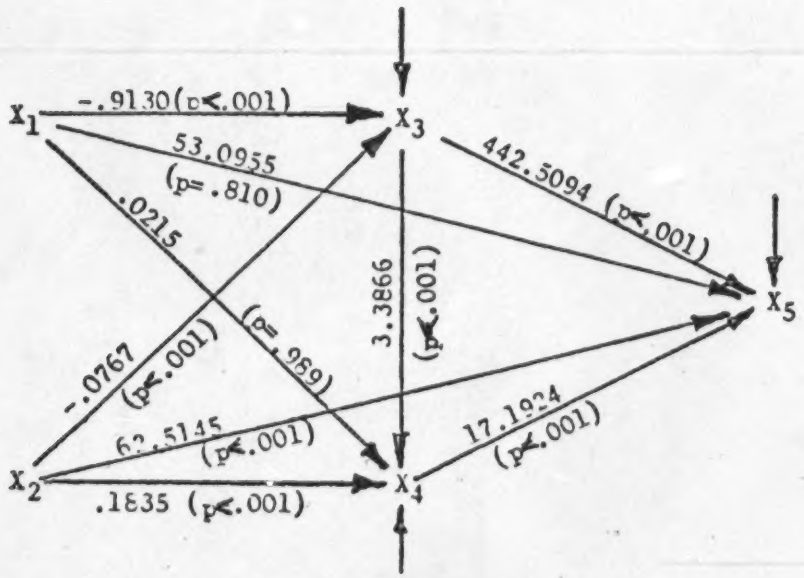
PATH ANALYSIS, 1960

The path model for Design I and Design II are pictured, with unstandardized paths coefficients, in Figure 3 and Figure 4, respectively.

In Figure 4, second generation Italian-Americans are compared with second generation urban blacks. A simple F-test is used to test the significance of the paths. Path b_{31} (Race to Educational Attainment) is seen not to be significant, indicating that second generation Italian-Americans do not differ significantly from urban blacks in educational attainment (while the difference in educational attainment between the blacks and Italian-Americans is not significant, there is a slight tendency for the blacks to have higher educational attainment). On the other hand, b_{31} (Ethnicity to Educational Attainment) in Figure 3 is significant, indicating that there are indeed differences in educational attainment among native whites and second generation Italian-Americans by ethnicity. While race does not appear to be a significant factor in determining educational attainment when the Italian-Americans are compared with the blacks, race is seen to be significant in determining both occupational status and income when the tow groups are compared.

In comparing the blacks with the Italian-Americans, age is not found to be significant in determining income. In contrast, age in the native white/Italian-American comparison is seen to be significant in determining income. Thus the second generation Italian-American, like the native white has increased income with age, while the second generation urban black does not. The same is true with regard to occupational status, while native whites and second generation

FIGURE 3



X_1 = Ethnicity (0=Native White, 1=2nd generation Italian-American)

X_2 = Age

X_3 = Educational Attainment

X_4 = Occupational Status

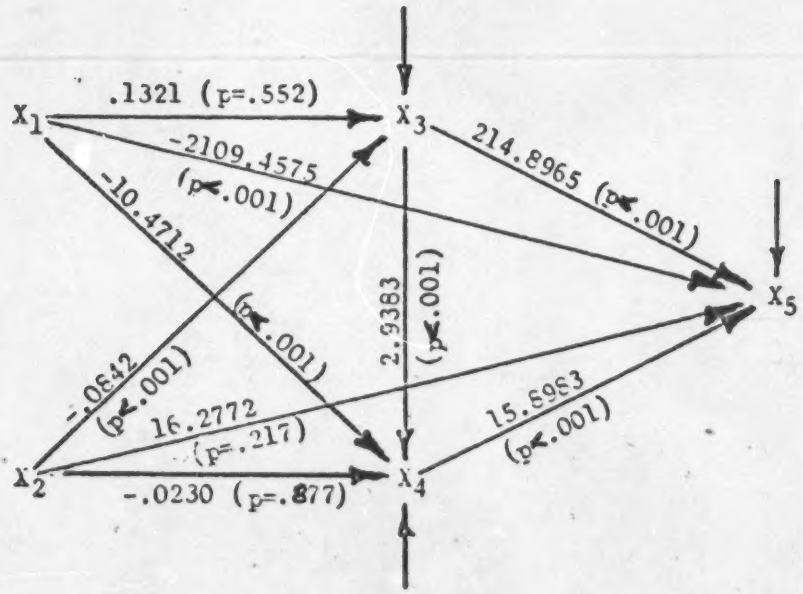
X_5 = Income

Native Whites/2nd Generation Italian-Americans, 1960

Unstandardized Path Coefficient Model*

*Significance of paths in parentheses.

FIGURE 4



X_1 = Race (0= White, 1= Black)

X_2 = Age

X_3 = Educational Attainment

X_4 = Occupational Status

X_5 = Income

2nd Generation Italian-Americans/2nd Generation Urban Blacks, 1960

Unstandardized Path Coefficient Model*

*Significance of paths in parentheses.

Italian-Americans are seen to have increased occupational status with age, blacks do not.

In comparing the two path diagrams (Figures 3 and 4), whereas race has a significant effect on both occupational status attainment and income, ethnicity (native whites compared with white ethnics) is not significant in determining occupational status and income except as it affects them through the intervening variable of educational attainment. Thus, individual differences for native whites and second generation Italian-Americans of income and occupational status can be attributed, at least in part, to differences in educational attainment -- it can, by no means, be seen as a direct effect o ethnicity. In contrast, in comparing the Italian-Americans with the blacks we find that the differences in income and occupational attainment are significantly affected by race, such that blacks are at a disadvantage in terms of income and occupational status achievement because they are black.

In comparing the magnitudes of corresponding paths in Figures 3 and 4 we can see that the variables of educational attainment and occupational status are more important in determining income for native whites and white ethnics than for blacks. Further, the indirect effect of education upon income through the variable of occupational status is more important for native whites and second generation white ethnics than for second generation urban blacks.

The two models (Figures 3 and 4) indicate that while native whites and second generation Italian-Americans have increased income with age (controlling for education and occupational status) and higher occupational status with age (controlling for education),

blacks do not. While second generation Italian-Americans in 1960 could expect to enter occupations commensurate with their qualifications (education), blacks could expect to have racial considerations influence their occupational membership.

In sum, then, it seems that the 1960 data indicate that there did exist two structures of income and occupational status attainment: one for whites, and one for blacks. White ethnics competed with native whites primarily through the central mechanism of educational attainment without being disadvantaged by national origin. For blacks, too, the central mechanism was educational attainment if we confined our analysis solely to blacks -- i.e., among blacks higher educational level s were associated with higher occupational status and higher income. But blacks competing with whites in 1960 were at a disadvantage because of their race.

PATH ANALYSIS, 1970

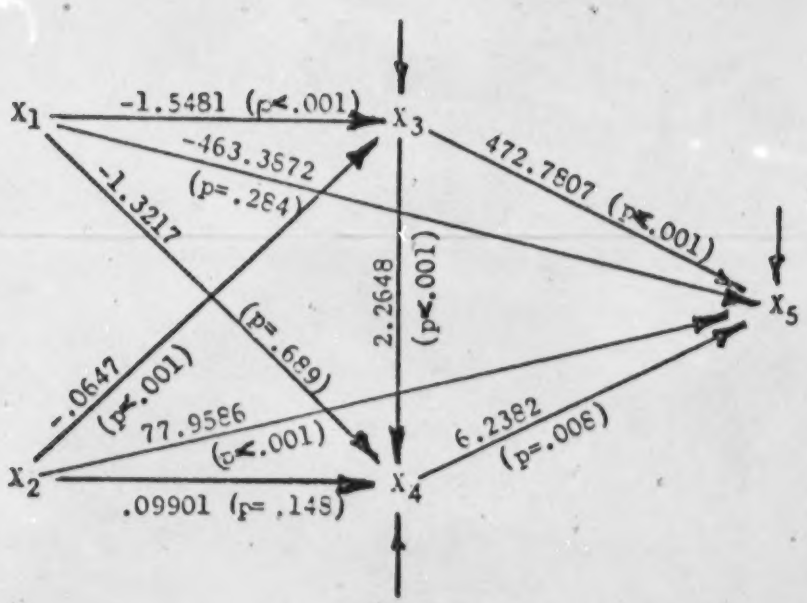
The path model for Design I and Design II are pictured, with unstandardized path coefficients, in Figure 5 and Figure 6, respectively. Income in these two figures has been adjusted to be comparable with income data from the 1960 Public Use Sample. The 1970 data (income in 1969) is standardized to the 1960 data (income in 1959) by taking an inflation factor into account and converting 1969 dollars into 1959 dollars.

In Figure 5 native whites are compared with second generation Italian-Americans. x_1 , ethnicity (distinguishing native whites and second generation Italian-Americans) is seen to have a significant effect only upon educational attainment. Second generation

Italian-Americans have, on the average, 1.5 years less schooling than native whites. This figure can be compared with the 1960 differential of almost 1 year (b_{31} in Figure 3) indicating that the gap has widened in the 10 year period.[7] This gap is due to an increase in the educational attainment levels of both groups with a somewhat greater increase in educational attainment among native whites than among second generation Italian-Americans. Thus, differences in income and occupational status are related to ethnicity only through the intervening variable of educational attainment. There are no significant effects upon income or occupational status due solely to national origin.

In Figure 6 second generation Italian-Americans are compared with second generation urban blacks in 1970. While ethnicity was not seen to have any significant direct effects upon income and occupational status, race, in contrast, does have significant direct effects upon income ($p<.001$) and occupational status ($p<.001$). Since the income figures for the 1970 data (income in 1969) have been adjusted to be comparable with the 1960 figures (income in 1959) by expressing all income figures in terms of 1959 dollars, it is possible to compare the costs of racial considerations upon income for the two years. Expressed in 1959 dollars, second generation urban blacks were paid, on the average, $1111.92 less than second generation Italian-Americans with the same age, educational attainment and occupational status, according to the 1970 data. This figure is somewhat less than the $2109.46 figure that is obtained from the 1960 data.

FIGURE 5



X_1 = Ethnicity (0=Native White, 1=2nd generation Italian-American)

X_2 = Age

X_3 = Educational Attainment

X_4 = Occupational Status

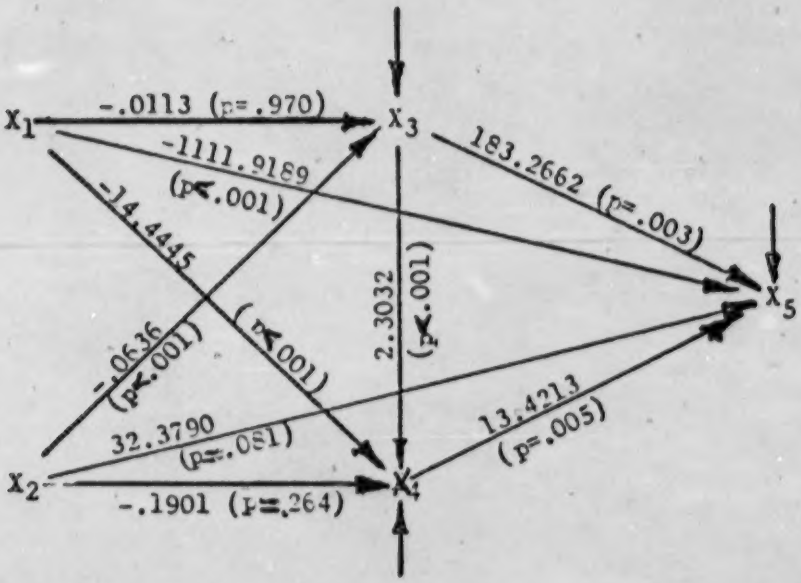
X_5 = Income (in 1959 dollars)

Native Whites/2nd Generation Italian-Americans, 1970

Unstandardized Path Coefficient Model*

*Significance of paths in parentheses.

FIGURE 6



X_1 = Race (0= White, 1= Black)

X_2 = Age

X_3 = Educational Attainment

X_4 = Occupational Status

X_5 = Income (in 1959 dollars)

2nd Generation Italian-Americans/2nd Generation Urban Blacks, 1970

Unstandardized Path Coefficient Model*

*Significance of paths in parentheses.

While the magnitude of the direct effect o race upon income in the Italian-Americans/blacks subsample comparison decreased in the period from 1960 to 1970, the magnitude of the direct effect of race upon occupational status increased. Second generation urban blacks with the same age and education as second generation Italian-Americans are, on the average, 14 points below (on the scale of 100) second generation Italian-Americans on the Duncan Socio-Economic Index (SEI) in 1970 as compared with 10 points below in 1960. Thus, given the same age and education the blacks are at a greater disadvantage in occupational status attainment relative to second generation Italian-Americans in 1970 than in 1960. And, hence, the magnitude of the indirect effect of race upon income via occupational status is seen to be greater in 1970 than in 1960. Expressed in 1959 dollars, this indirect effect of race upon income via occupational status is translated into an income figure of $193.86 less for second generation urban blacks than for second generation Italian-Americans in 1970 and $166.47 less in 1960. Summing the direct effect of race upon income and the indirect effect of race upon income via occupational status, we find the second generation urban blacks are somewnat less disadvantaged, in terms of income attainment, by race in 1970 than in 1960 relative to second generation Italian-Americans. Given the same age and educational attainment, the 1970 data indicate that second generation urban blacks earned $1305.78 (in 1959 dollars) less, on the average, than second generation Italian-Americans as compared with $2275.92 less as indicated by the 1960 data.

FOOTNOTES

1. Banfield (1968) sees the Negro's lower educational achievement scores for the same number of years of schooling as the white as a result of coming from a "present-oriented" culture. This will be discussed in some detail later in this paper.

2. Schneider and Lysgaard (1953) introduced the term "deferred gratification pattern" as a descriptor of the phenomenon of "self-imposed postponement of gratification or satisfactions." The most extensive literature on the deferred gratification pattern is found in attempts to explain color and class behavior.

Davis and Moore (1945) in their classic theory of stratification, while not using the terms "deferred gratification pattern" or "time-orientation," see high positions and high rewards going to those who can complete long, costly and elaborate training. The completion of such training necessarily involves the postponement of gratification or satisfactions in order to secure even greater rewards in the future.

Studies on "time-orientation" (present, past, and future) by Brim and Forer (1956), Le Shan (1952), Rosen (1956), Strodbeck (1958), and Wallace and Rabin (1960) suggest that the ability to defer gratification is necessary for movement into, and maintenance of, middle class status.

Most of the literature is at the theoretical level with few quantitative analyses performed. Straus (1962), in one of the few quantitative studies on the deferred gratification pattern and social class found that the hypothesis of a positive association was <u>not</u> supported.

Time-orientation, to be sure, is highly associated with class position. But whether time-orientation is a prerequisite of class status or a result of class status or a norm associated with class status is an important issue. Time-orientation is so class related that it actually defines class status and as such should be considered a class status norm.

Because time-orientation is so bound up with class, it makes little sense to speak of a future-oriented middle class person except in terms of the middle class norm. Keller and Zavalloni (1964) argue that ambition, a concept roughly equivalent to time-orientation, should be seen in relative, rather than absolute terms. What, on an absolute scale, may be seen as a moderate level of ambition may be very low for an upper class youth and very high poor a lower class youth. Instead, Keller and Zavalloni propose that ambition be thought of in relation to one's class position to realistically assess personal ambition in the contest of environment. Such a relative formulation of ambition (or of time-orientation)) may, indeed, be helpful in studying mobility which is itself a relative rather than an absolute quantity.

3. Although Banfield (1968) is quick to label immigrant groups as having come from present- or future-oriented cultures, he presents little evidence that any objective criteria are used to justify such labeling. Indeed, Banfield's reasoning seems rather circular. Successful groups of immigrants are seen as coming from future-oriented societies and unsuccessful immigrant groups as coming from present-oriented societies and unsuccessful immigrant groups as coming from present-oriented societies. And these cultures from which the immigrants had come are known to be present- or future-oriented according to whether the groups were successful or not.

4. A single design consistent with the "posttest-only control group design" concept may be employed of the form:

R	X_1	O_1
R	X_2	O_2
R	X_3	O_3

5. This presumption of present-orientedness is due to the peculiarities of sociological ideology and conventional methodology. Objectively, it makes little sense to consider people who left behind friends, wives, children, etc. and entered a new environment so that they and their children may have a better future to be present-oriented. (For a more detailed discussion of this point concerning the "present-orientedness" of Italian immigrants see Lopreato [1967: 243-257]).

6. The 1960 Public Use Sample of the U.S. Census does not contain data explicitly for the city of Chicago. The data for 1960 is taken from data for the state of Illinois. From the state data, cases were selected that would yield a sample that would approximate a sample drawn from the city of Chicago. All the cases for the 1960 sample are from cities, each of which is a central city within an SMSA in Illinois.

In 1970, Public Use Samples were available for both states and SMSA and County groupings. The data used for 1970 in this study is taken from the SMSA and County grouping sample. The cases selected to approximate a sample of the city of Chicago are all drawn from the 1-in-100 Sample of Cook County (Chicago).

7. However, looking at the educational attainment of all Italian-Americans, the vast majority of whom are third generation or later Italian-American, we find that they have higher educational attainment than the national average (Greeley, 1975).

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